

M/057/002

GREAT SALT LAKE MINERALS & CHEMICALS CORPORATION

P.O. BOX 1190 ○ 765 NORTH 10500 WEST ○ OGDEN, UTAH 84402 ○ TEL. (801) 731-3100 ○ TWX (910) 971-5910



RECEIVED
SEP 13 1990

DIVISION OF
OIL, GAS & MINING

September 12, 1990

Tony Gallegos
State of Utah Department of Natural Resources
Division of Oil, Gas, & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Mr. Gallegos:

Enclosed is the executed Reclamation Contract with exhibits.

If there are any questions, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca M. McNeely'.

Rebecca M. McNeely
Executive Secretary

RM

Enclosure

FORM MR-RC
Revised May 30, 1990
RECLAMATION CONTRACT

File Number M-057-002

Effective Date 8/31/90

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

RECLAMATION CONTRACT
---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)
(Mineral Mined)

M-057-002

"MINE LOCATION":

(Name of Mine)
(Description)

Rock/Gravel (dike construction)
evaporites (potash, sodium sulfate, sodium
chloride, magnesium chloride)

Great Salt Lake Minerals & Chemicals Corp.
19000 Acres Solar Ponds with Associated
Processing Plants--Gravel Pits for Dike
Construction/Dike Maintenance

"DISTURBED AREA":

(Disturbed Acres)
(Legal Description)

167 Acres

Exhibit A

"OPERATOR":

(Company or Name)
(Address)

Great Salt Lake Minerals & Chemicals Corp.
765 North 10500 West
Ogden, Utah 84402

(Phone)

(801) 731-3100

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

Max J. Reynolds

Vice President - Operations

765 North 10500 West

Ogden, Utah 84402

(801) 731-3100

(Phone)

"OPERATOR'S OFFICER(S)":

Richard Donahue, President

Max J. Reynolds, VP Operations

Grant Braun, VP Marketing

Kenneth L. Warnick, Secretary/Treasurer

"SURETY":

(Form of Surety - Exhibit B)

Letter of Credit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Chase Manhattan Bank

"SURETY AMOUNT":

(Escalated Dollars)

\$186,500

"ESCALATION YEAR":

1990

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

A "DISTURBED AREA":

B "SURETY":

Revision Dates:

No Revisions per 1988 Filing

8/31/90

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M-057-002 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

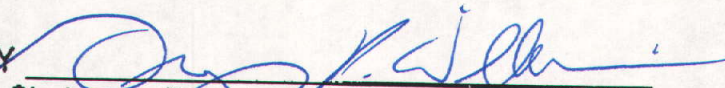
1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing. If the surety contract expressly provides for cancellation, then, not less than 30 days, prior to the expiration date of the surety, the Operator shall provide a replacement surety in a form and amount acceptable to the Board. If the Operator fails to so provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin reclamation of the site. In addition, if the Operator fails to so provide an acceptable replacement surety, the Division may call or draw upon the full amount of existing surety prior to cancellation or expiration.
3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure to Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.

8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including attorneys fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this 31st day of August 19 90.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY


Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

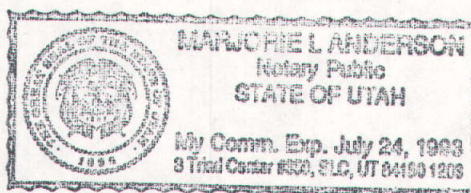
By *Dianne R. Nielson*
Director

10-4-90
Date

Dianne R. Nielson
Signature

STATE OF UTAH)
COUNTY OF SALT LAKE) ss:

On the 4TH day of OCTOBER, 19 90, personally appeared before me, who being duly sworn did say that he/she, the said DIANNE R. NIELSON is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledge to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.



Marjorie L. Anderson
Notary Public
Residing at: SLC, Utah

My Commission Expires:

OPERATOR:

Operator Name: Great Salt Lake Minerals & Chemicals Corp.

By Max J. Reynolds, VP Operations
Corporate Officer - Position

9/10/90
Date

Max J. Reynolds
Signature

STATE OF Utah)
COUNTY OF Weber) ss:

On the 10th day of September, 19 90, personally
appeared before me Max J. Reynolds who being
by me duly sworn did say that he/she, the said Max J. Reynolds
is the VP of Operations
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
Max J. Reynolds duly acknowledged to me that said
company executed the same.



R M McNeely
Notary Public
Residing at: Ogden, Utah

My Commission Expires: _____

March 31, 1994

SURETY:

Surety Company

By _____
Company Officer - Position

Signature

NOT APPLICABLE
FOR BANK LOC

STATE OF _____

COUNTY OF _____

On the _____ day of _____, 19____, personally
appeared before me _____ who being
by me duly sworn did say that he/she, the said _____
is the _____ of _____
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said
company executed the same.

Notary Public
Residing at: _____

My Commission Expires: _____

NOTE: An affidavit of Qualification must be completed and attached to this form
for each authorized agent or officer. Where one signs by virtue of Power of Attorney for
a company, such Power of Attorney must be filed with this Contract.